

Necton Parish Council

Risk Management Scheme



Definition of Risk Management. Risk is the threat that an event or action will adversely affect an organisations ability to achieve its objectives or successfully execute its strategies. Risk Management is the process by which risks are identified, evaluated and controlled. It is a key element of the framework of governance together with community focus, structures and processes, standards of conduct and service delivery arrangements.

This document has been produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. The Council is aware that although some risks can never be eliminated fully, it has in place a strategy that provides a structured, systematic and focuses approach to managing risk, which:

- Identifies the key risks facing the council
- Identifies what the risk may be
- Identifies the level of risk
- Evaluates the management and control of the risk and records findings
- Regularly reviews, assesses and revises procedures if/when required.

Document Control

Adopted: 03 April 2017

Minute ref: 2016/12/6 Item 12

Next Review: April 2018

Management

Subject	Risk identified	H/M/L	Management / control of risk	Review / assess / revise
Business Continuity	Council not able to continue business due to unexpected or tragic circumstance.	L	Chairman has spare office key. Electronic back up to Google Drive (cloud) completed at least monthly by Clerk. Locum Clerk would be recruited for long-term absence.	Existing procedures acceptable.
Meeting Location	Health & Safety Adequacy	L	H&S procedures in place. Fire equipment, exits and testing in place and recorded. Venue is NRCC, which is under trusteeship of Parish Council, managed by Clerk. Booking dates are secured 1 year in advance. Main hall accommodates 120 sitting.	Existing procedures suitable.
Council Records (paper)	Loss through theft, fire or damage.	L	Older records are archived with NCC Record Dept. Previous years records in locked office store. Limited risk of fire (not close to significant fire source)	Current situation acceptable.
Council Electronic Records	Loss through damage, fire, corruption of computer. Loss through theft of computer.	M	Monthly back up of clerk's laptop, stored in two separate locations. Back up on external 'cloud' accessible from other devices (password) Anti-virus in place and kept current. Strict IT user policy in place. Only one user of clerk's laptop, which is password protected. Laptop removed from office when closed.	Existing procedures adequate.

Finance

Subject	Risk identified	H/M/L	Management / control of risk	Review / assess / revise
Precept	Adequacy of precept	M	3 year forward planning linked to business plan, monthly budget monitoring, 3 month process of budget/precept planning.	Existing procedure adequate
Insurance	<ul style="list-style-type: none"> • Adequacy, • cost, • compliance, • fidelity guarantee 	L	<p>Annual review (April) is undertaken of all insurance arrangements prior to renewal.</p> <p>Asset Register is updated and assessed at same time.</p> <p>Employers Liability, Public Liability and Fidelity Guarantee (statutory requirements) in place.</p>	Review provision and compliance annually.
Banking	Inadequate checks	L	Financial Regulations in place. Monthly bank reconciliation and payments list presented to members. All banking records available to view in office.	Financial regulations reviewed annually.
Cash	Loss through theft or dishonesty	L M	<p>Council has no petty cash or float accounts. Transactions are made by cheque or online.</p> <p>NRCC has cash payments for room hire. All monies are receipted, recorded and banked weekly. Books are subject to internal audit quarterly. Hirers are encouraged to use electronic payment methods.</p>	<p>Existing procedure for PC adequate.</p> <p>Existing procedure for NRCC adequate, recommend setting a max level of cash on hand.</p>
Financial controls & records	Inadequate checks	L	Monthly reconciliation. Two signatories on cheques, internal and external audit, and quarterly internal control check reported to council. All payments resolved and minuted. S137 payments identified separately on accounts system and minuted at time of approval.	Existing procedure adequate.
Freedom of Information Act	Policy provision	L	Policy in place and clear guidance online for submission of FoI requests.	Existing procedures adequate.
Clerk	Loss of qualified Clerk	M	Designated reserves for employment costs are planned into budgets. Includes recruitment costs, SSP provision, new training.	<p>Continue existing planning.</p> <p>Continue monthly monitoring</p>

	Fraud Incompetence	L L	Significant financial controls and monthly monitoring in place. Training budget to ensure CPD, membership of SLCC, current reference books, regular attendance at NALC and other events. Annual appraisal process.	& reporting. Existing procedures adequate.
Election Costs	Unbudgeted election cost	M/H	Risk is higher in an election year (2015, 2019 , 2023 and every 4 yrs). Cost of an uncontested election in election year is set presently at £75 by Breckland Council. A contested election cost depends on variables; however, Breckland Council will indicate likely cost in preceding year to enable Parish Council to include in precept planning. Ref: Parish Recharges – Elections (Minute No 45/12) Breckland Council	Council should find some base line cost for budget planning and then build into reserves.
VAT	Reclaiming / charging	L	The Council has no services for which it must charge VAT. Financial regulations sets out the policy for reclaiming, which the RFO carries out either twice annually or whenever the running total reaches £1,000.	Existing procedures adequate and considered in the quarterly internal control check.
Annual Return	Not submitted within time limits Incorrect completion	L	Procedure in place to ensure deadlines are adhered to. Annual return is completed by the RFO and signed by the Council at the June meeting. Internal Auditor reviews the figures and calculations and when satisfied, signs page of the AR. External Auditor is the final check of document.	Existing procedures adequate.

Assets

Subject	Risk identified	H/M/L	Management / control of risk	Review / assess / revise
Play area & equipment (NRCC asset register & insurance policy 2017)	Public injury	H	Weekly recorded check of area and equipment Annual ROSPA inspection – remedial actions taken when identified. Public liability insurance in place.	Do a new RA on area
Street Lighting	Public injury Outage / damage	L M	Public liability insurance in place. Maintenance contractor in place and annual inspection / 5yrly electrical testing	Reviewed annually. Contract tendered after 3-4 years.
Street Furniture / dog waste bin / litter bin	Public injury Damage / destruction	L M	Public liability insurance in place. Units sourced from suppliers of street furniture, ensuring complaint materials and designed with public safety in mind. Designated reserves in financial plans for repair/replacement.	Reviewed annually. Reserve building over next 5 years.
Notice boards	Public injury Damage / destruction	L	Public liability insurance in place.	Reviewed annually.
Village signs	Public injury	L	Public liability in place.	Reviewed annually.
Office Equipment	Staff/councillor injury Loss / damage	L	Training provided for new users. Employers' liability insurance in place. Insurance in place (depending on asset value).	Reviewed annually.

Liability

Subject	Risk identified	H/ M/ L	Management / control of risk	Review / assess / revise
Legal Powers	Illegal activity / payments Working parties taking decisions	L	Decisions and payments made only within the powers of Parish Council, resolved at Council and minuted. Terms of reference clearly outlined in Standing Orders.	Existing procedures adequate.
Minutes / Agendas / Statutory documents	Accuracy / legality Non-compliance with statutory requirements.	L	Minutes & agendas are produced in the prescribed method and adhere to legal requirements. Minutes are approved and signed at next meeting. Minutes and agendas are displayed according to legal requirements. Business conducted at Council meetings managed by the Chair.	Existing procedures adequate. Ensure all councillors are adequately trained. Members to adhere to Code of Conduct.
Public Liability	Risk to third party, property or individuals	M	Insurance in place. (£10 million any one event) Risk assessments of individual events / activities undertaken.	Review annually. Review existing.
Employer Liability	Non-compliance with employment law	L	Employer's liability insurance in place. Clerk updates current knowledge through ACAS, NALC, SLCC, HMRC, etc	Review annually.
Legal Liability	Legality of activities	M	Products Liability and Pollution - £10 million for all claims in the aggregate during and one period of insurance. Official's Indemnity incorporated into Employers Liability - £10 million any one event inclusive of costs.	
Members interests	Not declared /out of date	M	Annual agenda for review(May). Monthly agenda for identification of interest.	

RISK SCHEDULE

Item	Frequency	Last Reviewed	Comments / Actions
<p>Assets Inspection</p> <ul style="list-style-type: none"> • Lights • Street furniture • Play equipment • Outdoor gym equipment • Allotment / dog walk 	<ul style="list-style-type: none"> • Annual by maintenance contractor • Ongoing surveillance by village caretaker and issues reported to Clerk • Weekly by Mark Jennings (recorded) • Weekly by Mark Jennings (recorded) • Ongoing surveillance by Allotment Society and issues reported to Clerk 	<ul style="list-style-type: none"> • August 2016 • Current • Current 	<p>To be recorded</p> <p>Recorded by Clerk</p>
<p>Parish Council Insurance including</p> <ul style="list-style-type: none"> • Public & employers liability • Money & fidelity guarantee • Personal accident 	<ul style="list-style-type: none"> • Annually before renewal • Annually • Annually 	<ul style="list-style-type: none"> • May 2016 	
<p>Financial Matters</p> <ul style="list-style-type: none"> • Banking arrangements • Insurance providers • VAT return completed • Budget agreed • Precept requested • Bank reconciliation • Salary review • Internal audit • External audit • Internal control checks • Financial regulations 	<ul style="list-style-type: none"> • Annually by Clerk or when signatories change • Annually by Clerk • Twice annually by clerk • Annually by Council • Annually by Clerk • Monthly by Clerk • Annually within budget review • Annually by commissioned external Clerk • Annually by Mazars currently • Quarterly by identified member • Annually by council 	<ul style="list-style-type: none"> • May 2016 • Apr 2017 – end of long term • July 2016 • Oct – Dec 2016 • Jan 2017 • ongoing • Dec 2016 • May 2016 • June 2016 • Oct 2016 • June 2016 	<p>Next VAT will be done Mar 2017</p> <p>Internal auditor commissioned for 2017</p> <p>Note; external audit agent will change in 2018</p>

Item	Frequency	Last Reviewed	Comments / Actions
<p>Administration</p> <ul style="list-style-type: none"> • Minutes properly numbered • Asset register available/updated • Standing orders reviewed • Computer record back up 	<ul style="list-style-type: none"> • Annually by internal auditor • Annually by internal auditor • Bi-annually by council • Monthly by Clerk 	<ul style="list-style-type: none"> • Mar 2017 • May 2016 • July 2015 – next review 2017 • Current 	
<p>Employer's responsibilities</p> <ul style="list-style-type: none"> • Employment contract • Staff appraisals • Training • Contractors indemnity insurance • Written arrangements with contractors • Health & safety policy/procedure • PAYE systems • Pension systems 	<ul style="list-style-type: none"> • Within 13 weeks of start • Annually by panel for Clerk. Clerk carries out other staff appraisals • Budgeted & recorded • Mandatory for any commission • In place • In place • In place – specialist software • In place - Nest 	<ul style="list-style-type: none"> • At last employment start date • Aug 2016 • ongoing • at last commissioning • at last commissioning • Feb 2015 • Mar 2017 • Feb 2017 set up 	<p>Next appraisals due Aug 2017</p>
<p>Members responsibilities</p> <ul style="list-style-type: none"> • Code of conduct adopted • Register of interests completed & updated • Register of gifts/hospitality • Declarations of interest minuted 	<ul style="list-style-type: none"> • Reviewed biannually • Reviewed annually in May • Reviewed annually in May • Standing item on agenda 	<ul style="list-style-type: none"> • Oct 2018 – next review 2018 • May 2016 – next review 2017 • Created Feb 2016 – no entries • Current 	<p>Register listed on website.</p>